

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2017 060772

2017 SEP -8 AM 10:58

MICHAEL B. BROWN
RECORDER

REAL ESTATE MORTGAGE

FOR PURPOSES OF THE SECURITY AGREEMENT CONTAINED IN
THIS INSTRUMENT THE "SECURED PARTY" AND THE "DEBTOR"
AND THEIR RESPECTIVE ADDRESSES ARE AS FOLLOWS:

SECURED PARTY: **Frances S. Portone**
9501 Oriole
Munster, IN 46321

DEBTOR: **William King and Lucy King (hereinafter collectively referred to as "KING")**
9845 Sequoia Court
Munster, IN 46321

KING ("Mortgagor"), MORTGAGE AND WARRANT to Frances S. Portone of Lake County, Indiana (the "Mortgagee"), and the Mortgagor GRANTS A FIRST PRIORITY AND SECURITY INTEREST to the Mortgagee in the following property ("REAL PROPERTY"), to-wit:

LOT 4, IN RIDGELAND PARK 2ND ADDITION, TO MUNSTER, AS PER PLAT THEREOF, THIS DOCUMENT IS THE PROPERTY OF THE RECORDER OF LAKE COUNTY, INDIANA.

Common address: 8119 Jefferson, Munster, IN 46321

Key Number: 45-06-24-229-004.000-027

TOGETHER WITH all present and future improvements, rights, privileges, interests, easements, hereditaments, and appurtenances thereunto belonging or in any manner pertaining thereto, and the proceeds therefrom (all of such Real Estate and other rights being hereafter referred to as the "Mortgaged Premises").

This Mortgage is given to secure the guaranty of Mortgagor, KING, for all obligations of KING, to Mortgagee. The term "Obligations" as used in this Mortgage means all obligations of KING which have been guaranteed by Mortgagor, KING personally, in favor of the Mortgagee of every type and description, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including, but not limited to, all Obligations of KING, which Mortgagor has guaranteed in favor of the Mortgagee arising under the following Promissory Note and obligation:

- A. Promissory Note executed by KING in favor of Mortgagee effectively dated August 29, 2017, which Note is in the original principal amount of **One Hundred Forty Eight Thousand Six Hundred Eighty-Eight Dollars and 63/100 Cents (\$148,688.63)**. This Note matures **ON DEMAND**. This Note has been guaranteed by Mortgagor personally and on behalf of KING.
- B. Any renewal, extension, modification, refinancing, or replacement of the indebtedness referred to in paragraph A above;
- C. All interest, attorney fees, and costs of collection with respect to the obligations referred to in paragraphs A through B above, together with any extensions or renewals thereof; and
- D. Any and all expenses paid by Mortgagee on or behalf of the REAL PROPERTY as described in the Promissory Note or herein.
- E. The performance by Mortgagor of all Mortgagor's covenants, agreements, promises, payments and conditions contained in this Mortgage agreement.

All of the Obligations are secured as they now exist and as they may be increased or otherwise changed by any amendment to any instrument or agreement which now or hereafter evidences, secures or expresses terms applicable to any of the Obligations, including but not limited to amendments to the above referenced notes and any other loan document executed in connection with the above referenced notes.



CHICAGO TITLE INSURANCE COMPANY

84417c inv.

CTIC Has made an accomodation recording of the instrument.

Initials: WM JPK

855150

CA# 1820503686

JAS

The Mortgagor further covenants and agrees as follows:

1. **PAYMENT OF OBLIGATIONS.** The Mortgagor shall pay and perform all of the Obligations promptly when payment or performance is due pay expenses when incurred by the Mortgagee, with attorneys' fees and costs of collection, and without relief from valuation and appraisal laws.
2. **CONDITION OF PREMISES, ALTERATIONS AND INSPECTIONS.** The Mortgagor shall keep the Mortgaged Premises in good repair and shall not commit or permit waste thereon or do or permit to be done anything that may impair the value of the Mortgaged Premises. The Mortgagor shall promptly restore any part of the Mortgaged Premises which may be damaged or destroyed. No portion of the Property will be removed, demolished or materially altered without Mortgagee prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Mortgagor shall not partition or subdivide the Property without Mortgagee prior written consent. Mortgagee or Mortgagee's agents may, at Mortgagee's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Mortgagee shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Mortgagee's benefit and Mortgagor will in no way rely on Mortgagee's inspection.
3. **TAXES AND ASSESSMENTS.** The Mortgagor shall pay when due all taxes and assessments levied or assessed against the Mortgaged Premises or any part thereof.
4. **TITLE; NO MORTGAGES.** Mortgagor does hereby represent and warrant that Mortgagor is the owner of the Mortgaged Premises in fee simple; that there are no other mortgages, liens, encumbrances or claims against said Mortgaged Premises or which may affect said Mortgaged Premises except the lien of real estate taxes not yet due and owing, and except for those liens and encumbrances to the extent they are specifically permitted by the terms of the Promissory Note entered into by, between and among Mortgagor and Mortgagee ("Promissory Note"), and except to the extent they are shown on Mortgagee's lender's title insurance policy for this mortgage transaction. Capitalized terms not otherwise defined in this Mortgage shall have their plain and ordinary meaning. Mortgagor has the right to grant, bargain, convey, sell, mortgage and warrant the Property.
5. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
 - A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Mortgagee any notices that Mortgagor receives from the holder.
 - C. Not to allow a modification or extension of, nor to request any future advances under any note or agreement secured by the lien documentation without Mortgagee's prior written consent.
6. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Mortgagee may require Mortgagor to provide to Mortgagee copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Mortgagee, as requested by Mortgagee, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
7. **DUE ON SALE OR ENCUMBRANCE.** Mortgagee may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
8. **NO LIENS.** The Mortgagor shall not permit any lien of mechanics or material men to attach to and remain on the Mortgaged Premises or any part thereof for more than thirty (30) days after receiving notice thereof. Nothing herein contained, however, shall be construed as preventing or interfering with the contesting by Mortgagor, at its cost and expense, of the validity of such lien or the underlying indebtedness, if the same may be contested without loss or forfeiture of title, and Mortgagor may so contest the same, and during such contest Mortgagor shall not be treated as being or taken to be in default with respect to the subject matter of such contest; provided, however, that if Mortgagee shall so require, Mortgagor shall furnish to Mortgagee reasonable security for the payment at the termination of such contest of the indebtedness secured by such lien. For the purpose of complying with the proviso in the foregoing sentence, Mortgagor may, at its

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election, furnish a bond in an amount equal to the amount of the item so contested and with surety satisfactory to Mortgagee.

9. **COMPLIANCE WITH LAWS.** The Mortgagor shall comply in all material respects with all statutes, ordinances, rules, regulations, orders, and directions of any legislative, executive, administrative, or judicial body or official applicable to the Mortgaged Premises, or any part thereof, or to the Mortgagor, or to the operation of any business of Mortgagor which directly affects the Mortgaged Premises; provided, however, that the Mortgagor may contest any of the matters referred to in this paragraph as provided in the Notes or otherwise in any reasonable manner which in the judgment of the Mortgagee will not adversely affect the rights of the Mortgagee, its successors or assigns.

10. **INSURANCE.** The Mortgagor will procure and maintain in effect at all times insurance written by insurance companies acceptable to the Mortgagee which insures against rent interruption as well as loss or destruction of the Mortgaged Premises by fire, wind storm, lightning, vandalism and malicious mischief and such other perils as are generally covered by "extended coverage" insurance for the full replacement value of the Mortgaged Premises all as more particularly required under the Loan Agreement. All policies providing such insurance shall provide that any loss thereunder shall be payable to the Mortgagee under a standard form of secured Mortgagee's loss payable endorsement. The Mortgagor authorizes the Mortgagee to endorse on Mortgagor's behalf and to negotiate drafts representing proceeds of such insurance, provided that the Mortgagee shall remit to the Mortgagor such surplus, if any, as remains after the proceeds have been applied at the Mortgagee's option:

- a. to the satisfaction of the Obligations or to the establishment of a cash collateral account securing the Obligations, or
- b. to the restoration of the Mortgaged Premises; provided, however, that no Default (as hereafter defined) has occurred and is continuing.

provided, however, such proceeds shall be applied at the option and to the extent necessary, as provided in the foregoing clause (b) and any balance shall be remitted to the Mortgagor, if the proceeds are equal to or less than Five Thousand Dollars (\$5,000.00), or the Mortgagor can demonstrate to the Mortgagee's satisfaction that restoration of the Mortgaged Premises is physically and economically feasible. Copies of any insurance policies required under the terms of this Mortgage shall be delivered to the Mortgagee and shall provide that such policies may not be modified, amended, or canceled without thirty (30) days prior written notice to Mortgagee.

11. **PRESERVATION OF SECURITY INTEREST.** Upon demand and failure of the Mortgagor so to do, the Mortgagee may, in its discretion, advance and pay all sums necessary to protect and preserve the Mortgaged Premises, and all sums so advanced and paid by the Mortgagee shall become a part of the indebtedness secured hereby, shall bear interest from date of payment at a rate equal to the Default Interest Rate, as defined in the Promissory Note, and shall be payable to the Mortgagee upon demand. Such sums shall include, but not by way of limitation:

- a. taxes, assessments and other charges which may be or become senior to this Mortgage as liens on the Mortgaged Premises, or any part thereof;
- b. the cost of any title insurance, surveys, or other evidence which in the discretion of the Mortgagee may be required in order to evidence, confirm, insure or preserve the lien of this Mortgage;
- c. all costs, expenses, and attorneys' fees incurred by the Mortgagee in respect of any and all legal and equitable actions which relate to this Mortgage or to the Mortgaged Premises;
- d. the cost of any repairs or services respecting the Mortgaged Premises which are deemed necessary by the Mortgagee, in the Mortgagee's sole discretion;
- e. the cost of all reasonable and necessary expenses for the operation, protection, and preservation of the Mortgaged Premises, including the usual and customary fees for management services; and
- f. the cost of premiums due and payable with respect to insurance policies required by this Mortgage.
- g. nonpayment of any taxes or assessments or any utility rates levied, assessed or imposed upon the mortgaged premises and nonpayment of any premiums for any insurance thereon shall constitute waste. The Mortgagor hereby consents to the appointment of a receiver should the Mortgagee elect to seek such relief.

The Mortgagee shall be subrogated to the rights of the holder of each lien or claim paid with moneys secured hereby.

12. **CONDEMNATION.** If all or any part of the Mortgaged Premises is damaged, taken, or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain,

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or by the alteration of the grade of any street affecting the Mortgaged Premises, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid Obligations, is hereby assigned to the Mortgagee, which is empowered to collect and receive the same and to give proper receipts therefor in the name of the Mortgagor, and all such sums shall be paid forthwith directly to the Mortgagee. Any award or payment so received by the Mortgagee may, at the option of the Mortgagee:

- a. be applied to the satisfaction of the Obligations or to the establishment of a cash collateral account for the Obligations, or
- b. be released, in whole or in part, to the Mortgagor for the purpose of altering, restoring, or rebuilding any part of the Mortgaged Premises which may have been altered, damaged or destroyed as a result of such taking, alteration, or proceeding;

provided, however, that so long as no Default has occurred and is continuing, and provided that the Mortgagor can demonstrate to the Mortgagee's satisfaction that any proposed alteration, restoration or rebuilding is physically and economically feasible, such awards shall be applied at the Mortgagor's option and to the extent necessary as provided in the foregoing clause (b).

13. **MORTGAGE TAXES.** If, after the execution of this Mortgage, applicable law requires the taxation of this Mortgage or any Obligation secured by this Mortgage, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or reimburse the Mortgagee therefor unless it is unlawful to require the Mortgagor to do so. Notwithstanding the foregoing, the Mortgagor shall not be obligated to pay any portion of any of the Mortgagee's federal or state income taxes.

14. **DEFAULT.** The occurrence of any of the following events shall be deemed a "Default" under this Mortgage:

- a. if any event defined as a Default in the note secured hereby shall have occurred and be continuing or the Mortgagor shall otherwise fail to pay or perform any of the Obligations promptly when such payment or performance is due or within such grace period as may be applicable;
- b. If the Mortgagor shall abandon the Mortgaged Premises, or any portion thereof, for a period of 60 days or longer;
- c. The institution of any foreclosure proceeding by the holder of any mortgage or lien upon the Mortgaged Premises, or any portion thereof, or security interest in the Personal Property and failure of the Mortgagor to obtain dismissal or termination of such action within thirty (30) days;
- d. The making or furnishing of any verbal or written representation, statement or warranty to Mortgagee that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- e. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- f. A good faith by Mortgagee at any time that Mortgagor is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- g. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Mortgagee in its opinion believes impairs the value of the Property or repayment of the Secured Debt;

15. **REMEDIES ON DEFAULT.** Upon the occurrence and continuance of a Default beyond any applicable cure period, all indebtedness secured hereby shall, at the option of the Mortgagee, become immediately due and payable and without relief from valuation and appraisal laws, and this Mortgage may be foreclosed accordingly. At the option of Mortgagee, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Mortgagee shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Mortgagee is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Mortgagee of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Mortgagee's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Mortgagee does not waive Mortgagee's right to later consider the event a default if it continues or happens again. Should proceedings to foreclose this Mortgage be instituted, the Mortgagee may apply for the appointment of a receiver (and the Mortgagor hereby consents to the appointment of a receiver if there has been any Default), and such receiver is hereby authorized to take possession of the Mortgaged Premises or any portion thereof, collect

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any rental, accrued or to accrue, whether in money or kind, for the use or occupancy of said Mortgaged Premises by any person, firm or corporation, or may let or lease said Mortgaged Premises or any part thereof, receive the rents, income and profits therefrom, and hold the proceeds subject to the orders of the court, or the judge thereof, for the benefit of the Mortgagee, pending the final decree in said proceedings, and said receiver may be appointed irrespective of the value of the Mortgaged Premises or its adequacy to secure or discharge indebtedness due or to become due or the solvency of the Mortgagor. In any action to foreclose this Mortgage, the Mortgagee shall be entitled to recover, in addition to all attorney and related paraprofessional expenses incurred in connection therewith, all other costs and expenses associated with foreclosure including, without limitation, all expenses incurred for title searches, abstracts of title, title insurance, appraisals, surveys and environmental assessments reasonably deemed necessary by the Mortgagee, all of which costs and expenses shall be additional amounts secured by this Mortgage. As used in the preceding sentence, the term "environmental assessments" means inspections and reports of environmental engineers or firms of environmental engineers or other appropriate experts or consultants, and associated samplings and testings of soil or groundwater, the purpose of which is to determine whether there is any contamination associated with the Mortgaged Premises and if so, the extent thereof, and to estimate of the cost of clean-up of any contamination, and to determine whether there are any underground storage tanks or any asbestos in, on, or under the Mortgage Premises and if so, whether there are any violations of environmental laws in connection therewith.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEY'S FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Mortgagee's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Mortgagee for insuring, inspecting, preserving or otherwise protecting the Property and Mortgagee's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Mortgagee in collecting, enforcing or protecting Mortgagee's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fee, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
17. **INTENTIONALLY OMITTED**
18. **EXTENSIONS; REDUCTIONS; RENEWALS; CONTINUED LIABILITY OF MORTGAGOR.** The Mortgagee, at its option and on such terms as it may desire, may extend the time of payment or performance of any part or all of the Obligations or reduce the payments thereon, or accept a renewal note or notes therefor, without the consent of any junior lien holder, and without the consent of the Mortgagor if the Mortgagor has then parted with title to the Mortgaged Premises. No such extension, reduction or renewal shall affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of the Mortgagor or any guarantors or sureties of or for any of the Obligations. The Mortgagee, at its option and on such terms as it may desire, may release any part of the Mortgaged Premises from the lien of this Mortgage without impairing the lien of this Mortgage except as to the portion of the Mortgaged Premises expressly released and without releasing the Mortgagor or any guarantors or sureties of or for any of the Obligations. No delay by the Mortgagee in the exercise of any of its rights under this Mortgage shall preclude the subsequent exercise thereof so long as any Default continues uncured, and no waiver by the Mortgagee of any Default of the Mortgagor shall operate as a waiver of subsequent or other Defaults. The making of any payment by the Mortgagee for any of the purposes herein permitted shall not constitute a waiver of any breach of the Mortgagor's covenant to perform such act. Notice by the Mortgagee of its intention to exercise any right or option under this Mortgage is expressly waived by the Mortgagor, and any one or more of the Mortgagee's rights or remedies under this Mortgage may be enforced successively or concurrently. Time is of the essence of this Mortgage.
19. **JUNIOR LIENS.** Any person, firm or corporation taking a junior mortgage, or other lien, upon the Mortgaged Premises, shall take the said lien or mortgage subject to the rights of the Mortgagee herein to extend the maturity of the indebtedness hereby secured without obtaining the consent of the holder of said junior lien or mortgage and without the lien of this Mortgage losing its priority over any such junior lien or mortgage. This Mortgage shall have priority over any such junior lien or mortgage, not only with respect to advances made by the Mortgagor prior to the existence and/or recording of such junior lien or mortgage, but also with respect to any advances and other Obligations made or otherwise incurred after the existence and/or recording of such junior lien or mortgage.
20. **INSUFFICIENCY OF PROCEEDS.** In the event the property pledged by this instrument is sold under foreclosure and the proceeds are insufficient to pay the total costs of said foreclosure and the indebtedness evidenced and secured by this instrument, the Mortgagee will be entitled to a deficiency judgment.
21. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives and releases any and all rights and remedies Mortgagor may now have or acquire in the future relating to redemption, reinstatement, and the marshalling of liens and assets. Mortgagor waives all rights of valuation and appraisalment.

- 22. **SUCCESSOR AND ASSIGNS.** All obligations of the Mortgagor under this Mortgage shall extend to and be binding upon the successors and assigns of the Mortgagor, and shall inure to the benefit of the Mortgagee and its successors and assigns.
- 23. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one Mortgagor will be deemed to be notice to all Mortgagors.
- 24. **CHOICE OF LAW.** This Mortgage shall be governed by and construed and enforced in all cases by the substantive laws of the State of Indiana, notwithstanding the fact that Indiana conflicts of law rules might otherwise require the substantive rules of law of another jurisdiction to apply. The exclusive venue and/or jurisdiction for any proceeding that may be brought in connection with this mortgage shall be in any Superior or Circuit Court of Lake County, Indiana.

EXECUTED effective as of August 29, 2017.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

MORTGAGOR(S):



STATE OF IN)
 COUNTY OF Lake) SS:

Before me, a Notary Public in and for the above County and State, personally appeared WILLIAM KING and acknowledged the execution of the foregoing Real Estate Mortgage.

WITNES my hand and Notarial seal this 1st day of Sept, 2017.

KATHERINE E ADAMS
 Seal
 Notary Public - State of Indiana
 Lake County
 My Commission Expires Dec 5, 2024

STATE OF IN)
 COUNTY OF Lake) SS:

Before me, a Notary Public in and for the above County and State, personally appeared LUCY KING and acknowledged the execution of the foregoing Real Estate Mortgage.

WITNES my hand and Notarial seal this 1st day of Sept, 2017.

KATHERINE E ADAMS
 Seal
 Notary Public - State of Indiana
 Lake County
 My Commission Expires Dec 5, 2024



Notary Public

This Instrument Prepared by:
 Megan L. Craig, #23184-49
 Craig & Craig, LLC
 11035 Broadway, Suite B
 Crown Point, IN 46307
 Ph: (219) 661-9100

Return to:
 Frances S. Porton
 9501 Oriole
 Munster In 46321

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Katherine Adams

Initials: WLL, JFK